

Hollywood
Property Owners
Alliance

Monica Yamada
President
CIM Group

Chad Lewis
Vice President
Klein Financial

Alyssa Van-Breene
Secretary
DDD-Hollywood/
Gower LLC

Mark Echeverria
Treasurer
Musso & Frank
Grill

Leslie Blumberg
The Fonda

Joseph D'Amore
CRC Entertainment

Darcy Derler-Judd
Robertson
Properties
Group

Michael Gargano
Argent Ventures,
LLC

David Green
Nederlander
West Coast

Brian D. Johnson
*Lowe's Hollywood
Hotel*

Evan Kaizer
*The Sieroty
Company*

John Lyons
Avalon Hollywood

Galo Medina
Comprehensive
Financial Services

Frank Stephan
Clarett West
Development

Mark Stephenson
Hollywood United
Methodist Church

John Tronson
Whitley Court
Partners

Kerry Morrison
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January 22, 2016

TO: Miranda Paster, Office of the City Clerk

FROM: Kerry Morrison, Executive Director, HPOA

SUBJECT: Fourth Quarter Report October 1, 2015 through December 31, 2015

As is required in our Agreement with the City of Los Angeles, I am submitting our Fourth Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- The Nominating Committee presented a slate of officers to the board at their Annual Meeting on November 19, 2015:
 - President – Monica Yamada
 - Vice President – Chad Lewis
 - Secretary – Alyssa Van Breene
 - Treasurer – Mark Echeverria
- Board member Jan Martin resigned from the board in October, due to pressing business commitments in New York. She expressed a desire to return when she could commit fully.
- Lorin Lappin joined the staff as the full-time Administrative Coordinator during this quarter, replacing Ginnie Gallo, who had worked part-time.
- The board approved a budget for 2016, which amounts to \$3,763,355. It is predicated upon a \$200,000 rollover from funds remaining at the end of 2015. At the same meeting (November 2015), the board approved the 2016 Planning Report for presentation to the city.
- The staff moved into their new office at 6562 Hollywood Boulevard on Friday, December 11, 2015.

II. Security

- The board approved an additional allocation from the Security Contingency account during this period (\$5,600) to link the video surveillance cameras in the Detective office to the Watch Commander so he/she can view and manipulate the cameras.
- Kerry Morrison represented the BID at a meeting with the LA Times Editorial board on October 20. The topic of discussion: the city's proposed sidewalk vending ordinance. The position asserted by the BIDs in LA is that each area should have the opportunity to opt into the ordinance if they want street vending. There should not be a one size fits all option for all of Los Angeles.
- With concerns about the increase in homelessness dominating many meetings and conversations in the BID during 2015, the board authorized the president to write a letter to the Mayor asking for a face-to-face meeting to discuss concerns and identify ways in which the business community can partner with him and the city to ameliorate. President Monica Yamada and Board Security chair John Tronson were invited to a meeting with the Mayor on December 14. This was a meeting intended for representatives from various BIDs throughout the city. Yamada and Tronson were able to convey the trends experienced in Hollywood this past year and hear directly from the Mayor as to his so called "battle plan" and the need for a major investment to combat this issue.
- The BID purchased signs for installation in parking lots throughout the District which warn against drinking/open containers in parking lots near ABC establishments (LAMC 41:27(d)). This is an effort being undertaken by the LAPD, with the Neighborhood Prosecutor, to address these behaviors, particularly at night in the District.
- At the final meeting of the year, the Board authorized \$30,000 total from the Security Contingency account for three organizations who are directly involved with homeless outreach and engagement in the BID: My Friends Place (youth homelessness); The Center (adult homelessness) and Housing Works (working with severely mentally ill homeless individuals).
- Statistics for fourth quarter are as follows:

Category	Q4	Year to Date
Arrests	73	396
Radio Calls	803	3495
Business Contacts	3876	19488
Citizen Contacts	2215	12645
Homeless Referrals	118	1039

III. Streetscape and Planning

- The Board approved an expenditure of \$5,000 from the DWP grant to implement improvements to the trees wells on Ivar, between Selma and Hollywood. Old tree grates were removed, empty tree wells were filled, tree stumps were removed and seven new trees were planted.
- On December 3, the board hosted a celebration of Sarah MacPherson Besley's contributions to both BIDs over her 15 year career in Hollywood. Councilmember Mitch O'Farrell presented her with a commendation signed by each member of the City Council and the LaBrea triangle will be named (informally) in her honor. Two commemorative benches will be installed there as well.
- The board supported grant application made by the Youth Policy Institute to the Project for Public Spaces and Southwest Airlines to activate some or all of the bump-outs along Hollywood Blvd.
- A luncheon meeting was held with the maintenance crew employed by Clean Street during October to discuss problem spots and their needs to do their jobs.
- In furtherance of the beautification objectives pursued by the Streetscape Committee this year, the board approved the purchase of four planters (\$5,000) to be installed as a pilot project at Hollywood & Vine. Additionally, funds were allocated (\$1,500) to refurbish plants at the LaBrea median.
- The board approved, in concept, moving forward with discussions with the US Postal Service, owner of the post office property at Wilcox and Selma, on the concept of creating a small park in front of their facility. Local resident, Li Wen, is spearheading this project.

IV. Marketing and Communications

- The Music + Arts Festival was held November 5 – 8, 2016. The overall budget for the event was established at \$43,000, with funds coming from both the Hollywood BID budget (marketing and temporary help), and sponsorship grants from the Sunset & Vine BID, Palladium Residences and AMDA. A \$10,000 media buy was made with KCRW, and \$8,000 of additional exposure was achieved through various trade opportunities. The festival was a success and a formal debrief session with the Steering Committee and Festival Partners is scheduled for early January, 2016.
- A new logo for the Hollywood Entertainment District, which conforms to the graphic image associated with Only in Hollywood, was approved during this quarter. After the office move, all relevant stationary and business cards will be updated.

V. Other

- The staff continued to receive several Public Records Act request during this quarter. The requestor is Mr. Adrian Riskin. Staff endeavors to respond in an expedient way with these requests.
- During this quarter, news surfaced about a proposed ballot measure, the “Neighborhood Integrity Initiative” being proposed by the head of the AIDS Healthcare Organization and others to impose a building moratorium in Los Angeles for two years. Staff and board members will continue to monitor this issue as it develops.
- Kerry Morrison was awarded a Stanton Fellowship in late November from the Durfee Foundation. This will result in a \$100,000 grant to the HPOA over a two-year period to grant her the time and support to research and work on an issue of significant import to the city of Los Angeles. She presented her proposal around working to address the situation faced by people who are chronically homeless and suffer from severe mental illness.
- The board asked staff to come back by March 1, 2016 with both an existing organization chart and a chart that would describe the requisite organization that might be required in the new BID.

Budget Variance - HED 09-18

Hollywood Property Owners Alliance

1-HED 09-18

For the month ended 31 December 2015

	Actual	Budget	Var USD	Var %	YTD Actual	YTD Budget	Var USD	Var %
Revenue								
Assessment Revenue	-	-	-	0.0%	3,563,944	3,563,944	-	0.0%▲
Assessment Revenue - Penalty Income	-	-	-	0.0%	23,722	-	23,722	0.0%
Grant Income	-	-	-	0.0%	5,000	-	5,000	0.0%
Interest Income - Bank	19	50	(31)▼	-61.4%▼	347	500	(153)▼	-30.5%▼
Interest Income - LA City	-	-	-	0.0%	8,023	-	8,023	0.0%
Other Income	-	-	-	0.0%	171	-	171	0.0%
Total Revenue	19	50	(31)	-61.4%	3,601,207	3,564,444	36,763	1.0%
Gross Profit	19	50	(31)	-61.0%	3,601,207	3,564,444	36,763	1.0%
Operating Expenses								
1 - Safety & Security								
Security Contingency	36,881	6,259	30,622▲	489.2%▲	70,453	75,020	(4,567)▼	-6.1%▼
Security Contract	158,278	129,837	28,441▲	21.9%▲	1,574,398	1,558,000	16,398▲	1.1%▲
Total 1 - Safety & Security	195,159	136,096	59,063	43.4%	1,644,850	1,633,020	11,830	0.7%
2 - Maintenance								
Landscape/Street Furniture/Mtce	15,629	9,587	6,042▲	63.0%▲	110,796	115,000	(4,204)▼	-3.7%▼
Maintenance Contract	73,750	73,750	-	0.0%	885,550	895,000	550▼	0.1%▼
Total 2 - Maintenance	89,379	83,337	6,042	7.2%	996,346	1,000,000	(3,654)	-0.4%
3 - ED&C								

Unaudited - No Assurance Is Provided

Budget Variance - HED 09-18



	Actual	Budget	Var USD	Var %	YTD Actual	YTD Budget	Var USD	Var %
Consulting Services	5,908	5,837	71 ▲	1.2%	69,747	70,000	(253) ▼	-0.4%
Marketing Activities	3,359	4,639	(1,280) ▼	-27.6%	44,608	48,639	(4,031) ▼	-8.3%
Total 3 - ED&C	9,267	10,476	(1,209) ▼	-11.5%	114,354	118,639	(4,285) ▼	-3.6%
4 - Administration								
Accounting	194	5,000	(4,806) ▼	-96.1%	87,456	60,000	27,456 ▲	45.8%
Admin Health	705	2,338	(1,633) ▼	-69.8%	21,799	28,056	(6,257) ▼	-22.3%
Admin Insurance	5,122	2,750	2,372 ▲	86.3%	28,413	33,000	(4,587) ▼	-13.9%
Business Meals	460	406	54 ▲	13.3%	4,908	4,850	58 ▲	1.2%
Dues/Subscriptions/Books	1,639	333	1,306 ▲	392.1%	4,846	3,996	850 ▲	21.3%
Employee Vacation Expense	4,819	-	4,819 ▲	0.0%	12,306	-	12,306 ▲	0.0%
Interest Exp/Bank Fees	-	-	-	-	113	-	113 ▲	0.0%
Legal	1,000	1,600	(600) ▼	-37.5%	8,036	20,000	(11,964) ▼	-59.8%
Miscellaneous - Other	668	247	421 ▲	170.3%	3,965	2,964	1,001 ▲	33.8%
Office Equipment	1,358	2,000	(642) ▼	-32.1%	6,227	6,290	(63) ▼	-1.0%
Office Exp (Furniture)	-	-	-	-	0.0%	-	0.0%	-
Office Expense	1,166	907	259 ▲	28.5%	14,815	10,840	3,975 ▲	36.7%
Outside Services/Temp Salaries	781	1,000	(219) ▼	-21.9%	8,910	12,000	(3,090) ▼	-25.8%
Payroll Taxes	4,052	2,206	1,846 ▲	83.7%	24,972	26,417	(1,445) ▼	-5.5%
Pension Contribution	748	1,028	(280) ▼	-27.2%	8,938	12,303	(3,366) ▼	-27.4%
Pension Expense	56	61	(6) ▼	-9.0%	666	666	-	0.0%
Rent	2,950	4,069	(1,119) ▼	-27.5%	41,847	48,894	(7,047) ▼	-14.4%
Staff Bonuses	35,000	-	35,000 ▲	0.0%	35,000	-	35,000 ▲	0.0%
Staff Salaries	27,471	29,674	(2,203) ▼	-7.4%	307,159	356,132	(48,973) ▼	-13.8%
Taxes - Licenses & Permits	-	-	-	-	0.0%	10	-	0.0%
Telephone	491	740	(249) ▼	-33.7%	8,529	8,880	(351) ▼	-3.9%
Travel	40	-	40 ▲	0.0%	7,267	6,440	827 ▲	12.8%

Unaudited - No Assurance Is Provided

Budget Variance - HED 09-18

	Actual	Budget	Var USD	Var %	YTD Actual	YTD Budget	Var USD	Var %
Total 4 - Administration	88,719	54,359	34,360	63.2%	636,179	644,728	(8,549)	-1.3%
5 - City Fees								
City Fees								
Total 5 - City Fees								
6 - Contingency								
Contingency								
Total 6 - Contingency	(5,503)	6,866	(12,369)▼	+180.1%▼	14,382	82,392	(68,010)▼	-82.5%▼
7 - Other Expenses								
Alley Maintenance	11,417	11,600	(183)▼	-1.6%▼	137,004	137,000	-4	0.0%▼
Tenant Improvements To Capitalize At Year End	(28,289)		(28,289)▼	0.0%				0.0%
Total 7 - Other Expenses	(16,872)	11,600	(28,472)	-245.4%	137,004	137,000	4	0.0%
Total Operating Expenses	360,150	302,734	57,416	19.0%	3,578,986	3,651,418	(72,432)	-2.0%
Net Income / (Loss) before Tax	(360,131)	(302,684)	(57,447)	-19.0%	22,222	(86,974)	109,196	126.0%
Net Income	(360,131)	(302,684)	(57,447)	-19.0%	22,222	(86,974)	109,196	126.0%
Total Comprehensive Income	(360,131)	(302,684)	(57,447)	-19.0%	22,222	(86,974)	109,196	126.0%

Unaudited - No Assurance Is Provided